

**Statement of PPL Montana
Before the Federal Relations, Energy and Telecommunications Committee
Of the Montana House of Representatives
In Support of House Bill No. 828
March 26, 2007**

**Mark Lambrecht, Manager, Regulatory Affairs
825 Great Northern Blvd.
Helena, Montana 59601
(406)457-5300**

Mr. Chairman and members of the Committee:

I'm Mark Lambrecht, Manager of Regulatory Affairs for PPL Montana — part-owner and operator of the Colstrip Steam Electric Station and owner/operator of the J.E. Corette Steam Electric Station in Billings and eleven hydroelectric facilities in Montana.

PPL Montana recognizes the responsibility to address climate change in ways that reduce greenhouse gas emissions, maintain a strong economy, reduce dependence on foreign energy sources and provide reliable electricity supply. We believe the US Congress is the appropriate body to address the issue. At the same time, Montana can demonstrate leadership on this issue by providing incentives for new power generation technology, energy efficiency and conservation, renewable energy and carbon capture and sequestration.

Many different aspects of the climate change issue have already been debated by the 2007 Montana Legislature. A variety of bills were considered to:

- 1) implement California's climate change plan;
- 2) require the Board of Environmental Review to require and set standards for carbon sequestration;
- 3) create a terrestrial sequestration loan program;
- 4) apply eminent domain status for CO2 pipeline construction; and
- 5) provide tax exemptions for carbon capture, storage and reuse.

With the exception of House Bill 24 — the bill to apply eminent domain status for CO2 pipeline construction (a concept already considered last summer by the Energy & Telecommunications Interim Committee) — the bills heard and tabled by the 2007 Legislature relative to carbon capture and sequestration should be studied in detail by the subcommittee that would be established by House Bill 828.

PPL Montana supports this bill. Climate change — and carbon sequestration — are relatively new issues for many legislators. Policies and strategies are developing at a rapid pace. This bill would provide the time necessary to understand these developing technologies and the opportunities available to address the issues. Please give this bill a "do pass" recommendation.